

For KCC Use: 7-14-2010
 Effective Date: 3
 District # 3
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

Form C-1
 March 2010
 Form must be Typed
 Form must be Signed
 All blanks must be Filled

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well
 Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act, MUST be submitted with this form.

Expected Spud Date: 7 month 1 day 2010 year

OPERATOR: License# 5953 ✓
 Name: A.R.&R. Ltd.
 Address 1: 6213 Sawgrass Place
 Address 2: _____
 City: Bartlesville State: OK Zip: 74006 + _____
 Contact Person: Andy Park
 Phone: 620-252-5009

CONTRACTOR: License# 5989 ✓
 Name: Finney Drilling

Well Drilled For: Oil Gas Enh Rec Storage Disposal Seismic; # of Holes _____ Other: _____
 Well Class: Infield Pool Ext. Wildcat Other _____
 Type Equipment: Mud Rotary Air Rotary Cable

If OWWO: old well information as follows:
 Operator: _____
 Well Name: _____
 Original Completion Date: _____ Original Total Depth: _____

Directional, Deviated or Horizontal wellbore? Yes No
 If Yes, true vertical depth: _____
 Bottom Hole Location: _____
 KCC DKT #: _____

Spot Description: 112-112-32 ne Sec. 30 Twp. 34 S. R. 14 E W
3,937 feet from N / S Line of Section
1,320 feet from E / W Line of Section

Is SECTION: Regular Irregular?
 (Note: Locate well on the Section Plat on reverse side)

County: Montgomery
 Lease Name: Kincaid Well #: 3 Weiser

Field Name: Wayside/Havana
 Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Weiser

Nearest Lease or unit boundary line (in footage): 1320
 Ground Surface Elevation: 810 feet MSL

Water well within one-quarter mile: Yes No
 Public water supply well within one mile: Yes No

Depth to bottom of fresh water: 150
 Depth to bottom of usable water: 175

Surface Pipe by Alternate: I II
 Length of Surface Pipe Planned to be set: 20

Length of Conductor Pipe (if any): n/a
 Projected Total Depth: 900

Formation at Total Depth: weiser
 Water Source for Drilling Operations: Well Farm Pond Other: _____

DWR Permit #: _____
 (Note: Apply for Permit with DWR)

Will Cores be taken? Yes No
 If Yes, proposed zone: _____

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.
 It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office **prior** to spudding of well;
2. A copy of the approved notice of intent to drill **shall be** posted on each drilling rig;
3. The minimum amount of surface pipe as specified below **shall be set** by circulating cement to the top; in all cases surface pipe **shall be set** through all unconsolidated materials plus a minimum of 20 feet into the underlying formation.
4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary **prior to plugging**.
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within **120 DAYS** of spud date.
 Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. **In all cases, NOTIFY district office** prior to any cementing.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: 6-23-10 Signature of Operator or Agent: Andy Park Title: President

For KCC Use ONLY
 API # 15 - 125-319950000
 Conductor pipe required None feet
 Minimum surface pipe required 20 feet per ALT. I II
 Approved by: RWA 7-9-2010
 This authorization expires: 7-9-2011
 (This authorization void if drilling not started within 12 months of approval date.)
 Spud date: _____ Agent: _____

Remember to:

- File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill;
- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed (within 60 days);
- Obtain written approval before disposing or injecting salt water.
- If well will not be drilled or permit has expired (See: authorized expiration date) please check the box below and return to the address below.

Well will not be drilled or Permit Expired Date: _____
 Signature of Operator or Agent: _____

Mail to: KCC - Conservation Division,
 130 S. Market - Room 2078, Wichita, Kansas 67202

RECEIVED
 KANSAS CORPORATION COMMISSION
 JUN 25 2010
 CONSERVATION DIVISION
 WICHITA, KS

30
 34
 14
 E
 W

For KCC Use ONLY

API # 15 - 125-31995-0000

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator: A.R.&R. Ltd.
 Lease: Kincaid
 Well Number: 3 Weiser
 Field: Wayside/Havana

Location of Well: County: Montgomery
3,937 feet from N / S Line of Section
1,320 feet from E / W Line of Section
 Sec. 30 Twp. 34 S. R. 14 E W

Number of Acres attributable to well: _____
 QTR/QTR/QTR/QTR of acreage: _____ - n2 - se - ne

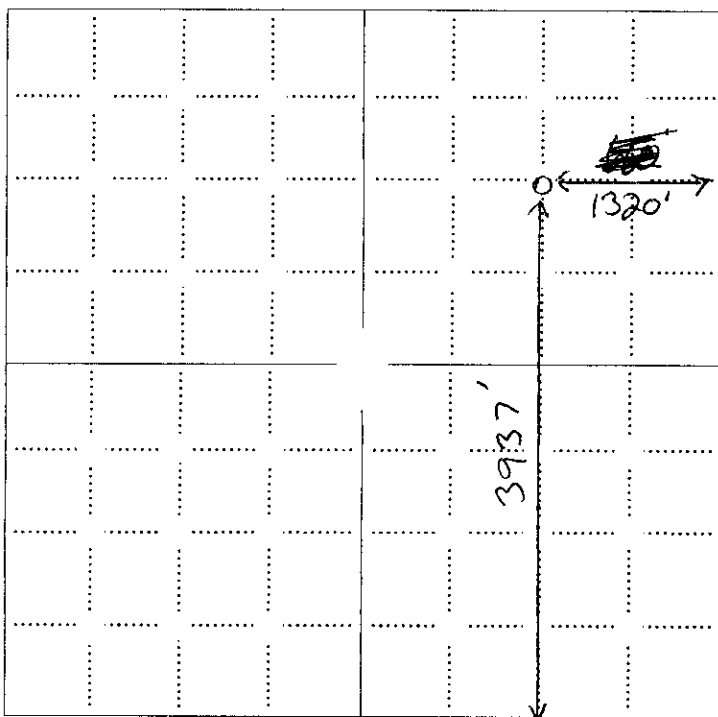
Is Section: Regular or Irregular

If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

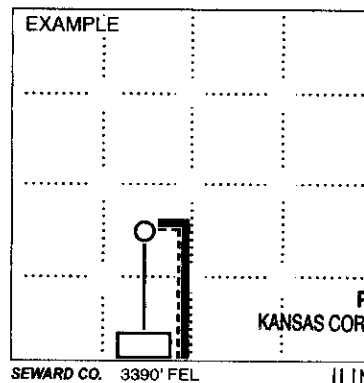
PLAT

Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032). You may attach a separate plat if desired.



LEGEND

- Well Location
- Tank Battery Location
- Pipeline Location
- Electric Line Location
- Lease Road Location



NOTE: In all cases locate the spot of the proposed drilling location.

In plotting the proposed location of the well, you must show:


1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CO-7 for oil wells; CG-8 for gas wells).
5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

RECEIVED
 KANSAS CORPORATION COMMISSION
 JUN 25 2010
 CONSERVATION DIVISION
 WICHITA, KS

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT**

Form CDP-1
May 2010
Form must be Typed

Submit in Duplicate

Operator Name: A.R.&R. Ltd.		License Number: 5953
Operator Address: 6213 Sawgrass Place		Bartlesville OK 74006
Contact Person: Andy Park		Phone Number: 620-252-5009
Lease Name & Well No.: Kincaid 3 Weiser		Pit Location (QQQQ): <u> n2 se ne </u>
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <small>(If WP Supply API No. or Year Drilled)</small>	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 500 (bbls)	Sec. 30 Twp. 34 R. 14 <input checked="" type="checkbox"/> East <input type="checkbox"/> West 3,937 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 1,320 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Montgomery County
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l <small>(For Emergency Pits and Settling Pits only)</small>
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	How is the pit lined if a plastic liner is not used? Drigs mud
Pit dimensions (all but working pits): <u> 60 </u> Length (feet) <u> 8 </u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u> 8 </u> (feet) <input type="checkbox"/> No Pit		
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.
Distance to nearest water well within one-mile of pit: <u> N/A </u> feet Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR
Emergency, Settling and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: <u> fresh water mud only </u> Number of working pits to be utilized: <u> 1 </u> Abandonment procedure: <u> let dry and fill </u> Drill pits must be closed within 366 days of spud date
I hereby certify that the above statements are true and correct to the best of my knowledge and belief.		
<u> 6-23-10 </u> Date	 Signature of Applicant or Agent	RECEIVED KANSAS CORPORATION COMMISSION JUN 25 2010 CONSERVATION DIVISION WICHITA, KS
KCC OFFICE USE ONLY		
Date Received: <u> 6-25-10 </u> Permit Number: _____	<input type="checkbox"/> Liner <input type="checkbox"/> Steel Pit <input checked="" type="checkbox"/> RFAC <input type="checkbox"/> RFAS	Permit Date: <u> 7-8-10 </u> Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

15-125-31995-00-00

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202



Mark Parkinson, Governor
Thomas E. Wright, Chairman
Joseph F. Harkins, Commissioner
Ward Loyd, Commissioner

July 08, 2010

A.R. & R. Ltd.
6213 Sawgrass Place
Bartlesville, OK 74006

RE: Drilling Pit Application
Kincaid Lease Well No. 3 Weiser
NE/4 Sec. 30-34S-14E
Montgomery County, Kansas

Dear Sir or Madam:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as practical after drilling operations have ceased.

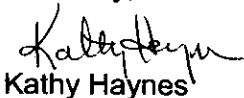
If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 432-2300 when the fluids have been removed. Please file form CDP-5 (August 2004), Exploration and Production Waste Transfer, within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site:
www.kcc.state.ks.us/conservation/forms.

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill.

If you have any questions or concerns please feel free to contact the undersigned at the above address.

Sincerely,



Kathy Haynes

Environmental Protection and Remediation Department

cc: File